



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

Testimony Insurance and Real Estate Committee March 5, 2019

Committee Chairs, Vice Chairs, Ranking Members, and Members of the Insurance and Real Estate Committee, the Insurance Department appreciates the opportunity to offer technical comments on section 1 of the following bill:

House Bill No. 7125 An Act Concerning Parity for Mental Health and Substance Use Disorder Benefits, Nonquantitative Treatment Limitations, Drugs Prescribed for the Treatment of Substance Use Disorders, and Substance Abuse Services.

Section 1 would require health carriers, commencing not later than March 1, 2021, to submit reports annually to the Insurance Commissioner, the Attorney General, the Healthcare Advocate and the executive director of the Office of Healthcare Strategy on the topic of, generally, mental health and substance use disorder benefits. The Insurance Commissioner will be required to submit the reports to the Insurance and Real Estate Committee by March 15th of each year and the Committee will be required to conduct a public hearing not later than April 1st annually on the insurer reports it will receive. At this public hearing the Commissioner, Attorney General, Healthcare Advocate and executive director of the Office of Health Strategy or their designees will be required to give the Committee their opinion on whether each health carrier complied with the requirements of section 2 and 3 of this act, Conn. Gen. Stats. sections 38a-488a and 38a-514 and the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 and regulations adopted thereunder.

The Department notes that the opinion of the Insurance Commissioner under this legislation will not serve as a definitive determination by the Commissioner or the Department of a particular insurer's compliance or non-compliance with law. Any sanctions that the Commissioner would seek to impose upon an insurer due to alleged non-compliance with law, would remain subject to the procedural requirements of the Uniform Administrative Procedure Act and the Insurance Department Rules of Practice.

Other sections of this bill are aimed at creating public policy concerning the opioid epidemic. On behalf of Governor Lamont's administration, the Department expresses its strong determination to work with the Legislature and other stakeholders to seek solutions to the opioid crisis. Governor Lamont has submitted a bill to help address the opioid crisis in Connecticut, and the Department stands ready to continue to be a partner in working with all stakeholders including consumer groups, legislators, other executive branch agencies, insurance carriers and others to create sound public policy to combat the opioid epidemic.

The Department thanks the members of the Insurance and Real Estate Committee for the opportunity to provide comments.

About the Connecticut Insurance Department: The mission of the Department is to protect consumers through regulation of the industry, outreach, education and advocacy. In FY 2018, the Department recovered more than \$4.5 million on behalf of consumers and regulates the industry by ensuring carriers adhere to state insurance laws and regulations and are financially solvent to pay claims. The Department's annual budget is funded through assessments from the insurance industry. For every dollar of direct expense, the Department brings in about \$8.35 to the state in revenues. In FY 2018, the Department returned more than \$145 million in assessments, fees, fines and penalties, and taxes to the state's General Fund.